

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PRIORITY MAIL CONTRACT 23 (MC2010-9)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2010-9

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 1**  
(November 19, 2009)

The United States Postal Service hereby provides its response to Chairman's Information Request (CHIR) No. 1. CHIR No. 1 was filed on November 16, 2009, and responses were due no later than November 19, 2009. The question is attached verbatim, and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
By its attorneys:

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1. If the mailer does not satisfy the minimum volume requirement under the contract, are the contract prices subject to change or is the mailer subject to a penalty (or similar) charge for the shortfall? Please explain and quantify the potential charges.

**RESPONSE:**

If the mailer does not satisfy the minimum volume requirement under the contract, the mailer will pay Commercial Plus Pricing (100,000+ Priority Mail Packages a year) or Commercial Base Pricing, based on volume level. The mailer is not subject to a penalty; rather, the mailer would be subject to Commercial Plus Pricing (100,000+ Priority Mail Packages) or Commercial Base Pricing, and would not receive the contract prices.